

ENGROSSED SENATE
BILL NO. 620

By: Haney of the Senate

and

Steidley of the House

[public finance - mandatory program budgeting -
effective date - emergency]

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY Section 1, Chapter 279, O.S.L.
1994 (62 O.S. Supp. 1994, Section 41.44), is amended to read as
follows:

Section 41.44 There is hereby established ~~a pilot~~ an initiative
for ~~select~~ all departments, agencies, boards and commissions,
~~hereinafter referred to as pilot agencies,~~ to prepare, submit and
operate their budgetary system in a program format. The program
budgeting ~~pilot~~ initiative shall be designed to better prioritize
state funding needs, reduce program duplication and enhance
budgeting information necessary to improve the efficiency of state
operations. ~~The following pilot agencies are directed to
participate in the program budgeting pilot:~~

- ~~1. Oklahoma Educational Television Authority;~~
- ~~2. Physician Manpower Training Commission;~~
- ~~3. Department of Vocational and Technical Education;~~
- ~~4. Department of Corrections;~~
- ~~5. Department of Public Safety;~~
- ~~6. Office of Personnel Management;~~
- ~~7. Office of State Finance;~~

~~8. Department of Central Services;~~

~~9. Water Resources Board;~~

~~10. Department of Commerce;~~

~~11. Department of Mental Health and Substance Abuse Services;~~

and

~~12. Commission on Children and Youth.~~

SECTION 2. AMENDATORY Section 3, Chapter 279, O.S.L.

1994 (62 O.S. Supp. 1994, Section 41.46), is amended to read as follows:

Section 41.46 The administrative head of any ~~pilot~~ agency or the request officer as defined in Section ~~5~~ 41.7c of this ~~act~~ title, may request that any current item of appropriation, appropriation allotment, program category or work program be transferred to any other program category within the same ~~pilot~~ agency. The administrative head shall make a request for program transfer to the Director of State Finance in writing and file a revised budget work program. Copies of the request for program transfer and budget work program revisions shall also be filed with the Joint Legislative Committee on Budget and Program Oversight as created by Section 4 41.47 of this ~~act~~ title. The Director of State Finance shall approve the request for transfer unless both the ~~Chairman~~ Chair and Vice ~~Chairman~~ Chair of the Joint Legislative Committee on Budget and Program Oversight provide written notification to the Director of State Finance within twelve (12) calendar days of receipt of transfer request that the transfer subverts the intention and objectives of the Legislature in establishing the original appropriation, or unless the transfer does not meet the requirements of this section or Section 41.9 of this title. Notification of noncompliance with legislative intent shall be transmitted to the Director of State Finance within twelve (12) calendar days of receipt of the transfer request. The Director of State Finance shall give written notice of approval or disapproval of each program

transfer to the ~~pilot~~ agency, the Governor and the ~~Chairman~~ Chair and Vice ~~Chairman~~ Chair of the Joint Legislative Committee on Budget and Program Oversight within eighteen (18) calendar days of receiving the request.

Transfers shall be subject to the following limitations:

1. The amount to be transferred, together with all previous transfers, shall not exceed twenty-five percent (25%) of the total appropriation of the least of the items of appropriation, appropriation allotment or work program involved in the transfer; and

2. If the amount to be transferred, and all previous transfers, is greater than twenty-five percent (25%) of the least items of appropriation, appropriation allotment or work program involved in the transfer request, upon written application to the Director of State Finance, and the ~~Chairman~~ Chair and Vice ~~Chairman~~ Chair of the Joint Legislative Committee on Budget and Program Oversight and with written approval by the Contingency Review Board an additional fifteen percent (15%) may be transferred.

SECTION 3. AMENDATORY Section 5, Chapter 279, O.S.L. 1994 (62 O.S. Supp. 1994, Section 41.7c), is amended to read as follows:

Section 41.7c A. On or before the first day of June in each year, or as soon thereafter as possible, ~~the pilot~~ all agencies shall be required to file budget work programs with the Director of the Office of State Finance. Copies of all ~~pilot~~ agency budget work programs shall also be made available electronically to the staff of the Joint Legislative Committee on Budget and Program Oversight.

B. The required instructions, content and format of budget work programs shall be developed cooperatively by the staff of the Joint Legislative Committee on Budget and Program Oversight and the staff of the Budget Division of the Office of State Finance. The work programs shall include a description of all funds available to the

~~pilot~~ agency for expenditure and setting out allotments requested by the ~~pilot~~ agency by quarter and the entire fiscal year. The work program shall be accompanied by an organizational chart of the ~~pilot~~ agency, a statement of agency mission and program objectives. The work program shall show budgeted spending by major program category at the activity level and may identify budgeted spending by subprogram category at the subactivity level. Major program categories identified in the budget work program shall conform to the major program categories set out in the ~~pilot~~ agency's appropriation bill. Budget work programs shall be signed by the executive officer of each ~~pilot~~ agency. Such program and allotment requests may be made by the "request officer" who shall be designated by each ~~pilot~~ agency for that purpose. Executive officers of ~~pilot~~ agencies shall cooperate with the Office of State Finance staff and Joint Committee staff in developing program budgeting categories. All funds available or expected to be made available to any ~~pilot~~ agency, including nonfiscal appropriations, shall not be available for expenditure until the request officer of the ~~pilot~~ agency has complied with the applicable provisions of Sections 41.1 through 41.41 of ~~Title 62 of the Oklahoma Statutes~~ this title and has received approval of such request for funds from the Director of State Finance.

SECTION 4. REPEALER Sections 2, 6 and 7, Chapter 279, O.S.L. 1994 (62 O.S. Supp. 1994, Sections 41.45, 41.7 and 41.12), are hereby repealed.

SECTION 5. This act shall become effective July 1, 1995.

SECTION 6. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 28th day of February, 1995.

President of the Senate

Passed the House of Representatives the ____ day of
_____, 1995.

Speaker of the House of
Representatives